



FAIRFAX COUNTY
PUBLIC SCHOOLS

Department of Financial Services

Office of Procurement Services
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MAR 16 2016

ADDENDUM NO. 1

TO: ALL PROSPECTIVE OFFERORS

REFERENCE: RFP 2000001842

FOR: Pharmacy Benefits Management

CLOSING DATE/TIME: March, 23, 2016 @ 2:00 P.M.

RFP MODIFICATIONS:

The referenced Request for Proposal is amended as follows:

1. Change – 120 days to 180 days in the excel file: Attachment 2 Commercial - Cost – Vendor, Questionnaire tab, row 204.
2. Add – the “FCPS Clinical addendum” as uploaded in the secure website. Reference Special Provisions, Paragraph 6.2.

RFP CLARIFICATIONS:

The following are responses to questions received via e-mail prior to March 8, 2016.

- Q1. Is Appendix B, page 39 of the RFP or will an Appendix B be provided?
A1. Appendix B is part of the solicitation and starts on page 32 thru page 40.
- Q2. Should we provide (1) FOIA CD Copy for the technical section and (1) for the Cost binder? Or just (1) copy with both technical/cost included?
A2. You may provide a single (1) USB drive that contains redacted FOIA electronic copies of both sections, which has been properly label FOIA Copy.
- Q3. Is an officer signature required or is a signature of binding authority over this proposal sufficient?
A3. FCPS requires a signature with authority to bind the company with the proposal issued by the Offeror.
- Q4. May we structure our Table of Contents and submission in a way that best organizes our proposal while adhering to the required information listed in Special Provisions 6.5?
A4. No, the purpose of all submittals to be structure in the same manner is for ease of review by the Selection Advisor Committee (SAC). Also Reference Attachment A, tab “introduction” for the structure of a table of content.

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- Q5. Should both the Commercial and EGWP Technical sections be included in one binder? Same question for the cost binder?
- A5. The Commercial and EGWP Technical sections may be placed in two separate binders, if desired; however All Technical proposals and Cost proposals need to be kept separate.
- Q6. In the Introduction Tabs of the work books, Part 2 "Requested File Attachments from Vendor", are these items only being requested in electronic version on CD or are these to be provided in print in the binders as well?
- A6. If the reference is to the Attachment 1A, tab "introduction", cell #145 and below, then FCPS is requesting the electronic file name as reference so that we may find it in the USB drive or CD. Hardcopies for this section are not required.
- Q7. The Cover Sheet (DPSM32) states that, by signing the proposal, the Offeror agrees to be bound by the conditions set forth in the General Conditions and Instructions to Bidders (Appendix A). How would FCPS like Offeror to communicate those conditions in Appendix A that Offeror is unable to agree to (including those that are not applicable to the provision of prescription benefit management services)
- A7. The prospective offeror may add a section at the end of their technical proposal with suggested revisions; however take into account that Special Provisions take precedence over the General Conditions and Instructions to Bidders (Ref. Special Provisions paragraph 27).
- Q8. Row 861 in Questionnaire tab of Commercial Tech MS Excel file requests that Offeror submit a sample contract. How does FCPS intend to treat the Offeror sample contract in relation to the RFP documentation (e.g. the Special Provisions in the RFP and the General Conditions and Instructions to Bidders document) and Offerors responses to the RFP?
- A8. The sample requested is for informational purposes only. The order of precedence is described in Special Provisions, paragraph 27.
- Q9. Special Provisions, Section 28.2, Subcontracting (page 17) – this section states that the prime contractor will provide the Subcontractor Notification Form (Appendix B) as part of the contract award. However, the Subcontractor Notification Form (Appendix B) states that the form should be completed and returned with the proposal. Please advise whether this form should be included with the proposal submission.
- A9. The form in the solicitation, Appendix B, page 40 is not a required document to be submitted with the proposal; however it is recommended.
- Q10. Special Provisions, Section 14, Virginia Freedom of Information Act (page 11) – this section requires that trade secrets or proprietary information be clearly identified by some distinct method such as highlighting or underlining. We are unable to comply with this requirement since the Excel documents are locked. Would FCPS be able to provide the passwords to unlock the Excel files so that we may comply with the Virginia Freedom of Information Act?
- A10. You may provide a reference to any proprietary information in the form provided in Appendix B, page 39, title "Proprietary information". The excel file is required to be kept locked.

- Q11. Offeror's interpretation of Section 43 (Price Reduction) of the General Conditions and Instructions to Bidders is that such section is not applicable to the provision of prescription benefit management services, as Offeror does not maintain a price schedule for customers generally or for particular classes of customers. Offeror does load daily updates to AWP and adjusts MAC pricing to reflect current market conditions. Please confirm such actions are consistent with FCPS' expectations.
- A11. Confirmed. Also take into account that Special Provisions, paragraph 27 provides the order of precedence.
- Q12. Early Pricing from Incumbent- will FCPS allow early pricing to be offered by the incumbent PBM as part of the analysis of the overall deal value to FCPS?
- A12. No, pricing quotes must be for the term of the contract as stated. Reference, Special Provisions, paragraph 3.
- Q13. Are we only expected to provide the worksheets that require completion? Example: Attachment 1B only requires us to complete the EGWP Detail Rx Plan Deviations Tab and the remaining tabs are FYI. Should we only send back the Deviations Tab from that workbook?
- A13. There is no requirement to send back worksheets that do not require a response.
- Q14. May we please have the Medicare Part D Membership by month for the experience period provided?
- A14. The following table provides the information requested:

Fairfax County Public Schools Medicare Retiree Enrollment 2015		
Month	Subscribers	Members
January 2015	4,454	5,803
February 2015	4,456	5,805
March 2015	4,459	5,811
April 2015	4,468	5,825
May 2015	4,477	5,837
June 2015	4,470	5,827
July 2015	4,544	5,928
August 2015	4,571	5,962
September 2015	4,597	5,990
October 2015	4,609	6,008
November 2015	4,627	6,030
December 2015	4,643	6,050
Average	4,531	5,906

- Q15. Under the Medicare Part D plan, can you please confirm the specialty coverage requested in the RFP? The "EGWP Plan Design Summary" noted a separate specialty tier. The "EGWP Detail RX Plan Deviations" did not include a separate Specialty tier.
- A15. The EGWP Detail RX Plan deviations tab is correct. There is no separate specialty tier.

Q16. Offeror provides EGWP services (self-funded, as well as insured) through its affiliate insurance company, which holds the 800-series EGWP PDP contract with CMS. Please confirm that, for purposes of meeting the Minimum Qualifications detailed in the RFP, it is acceptable that Offeror provide the benefits for post-65 retirees (EGWP) through its affiliate, provided that the two entities are under 100% common ownership and control.

A16. Confirmed

Q17. Please confirm that FCPS is willing to sign two separate contracts with Offeror, one for the provision of ASO and a second for EGWP.

A17. Confirmed, but the ASO and EGWP agreements must be part of the final FCPS contract

Q18. Paragraph 20.1 of the Special Provisions states that FCPS will pay the Contractor based upon "completion, acceptance, and approval by the FCPS of each task outlined in the Special Provisions, paragraph 5, TASKS TO BE PERFORMED". Please clarify what frequency of invoicing (e.g. weekly, biweekly, four times monthly) and payment terms (i.e. number of days following receipt of invoice within which FCPS will make payment for services) that FCPS is requesting.

A18. The following is the frequency of payments:

Administrative fees:

1. Commercial account: Invoiced every two weeks (paid within 30 days of invoice date)
2. EGWP: Invoiced once a month (paid within 30 days of invoice date)

Claims Reimbursement:

1. Commercial account: Invoiced every two weeks (paid within 3 days of invoice date)
2. EGWP: Invoiced every two weeks (paid within 3 days of invoice date)

They should all be paid within 3 days of invoice date. Offerors may propose alternative scheduling arrangements.

Q19. Section II.8 of the Bidding Requirements state that Offeror "will not offshore any services involved in the delivery of services to FCPS and enrollees". Offeror intends to perform all core services (e.g. customer services, claims administration, mail or specialty pharmacy services) under the contract within the United States, with certain programming support, retail pharmacy help desk or other non-core functions being performed outside of the United States in furtherance of the core services. Based on the facts provided, would FCPS treat Offeror as having met the requirement to not offshore services?

A19. If the response is anything other than affirmative, please provide a detailed explanation.

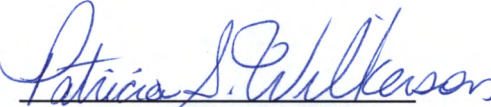
Q20. Attachment 2, Commercial, Question 38- Rx Formulary- Formulary Exclusions: This section of the questionnaire states that PBM must bid with a formulary that does not have any exclusions; however FCPS currently appears to have an exclusionary formulary in place with the incumbent provider based on the link to the "2016 Express Scripts National Preferred Formulary". Please confirm if FCPS is interested in a formulary/rebate proposal for both a formulary with and without exclusions?

- A20. Confirmed. In order to give FCPS the information they need to make an informed decisions, it is requested that all vendors provide their rebates with and without exclusions.
- Q21. Commercial Program- Step Therapy edits- please provide a list of all therapeutic categories or specific medications that have any kind of step therapy program in place. Attachment 1B, Tab named Commercial Plan Design Summary includes a note that states "Extensive List of Step Therapy Programs in Place" however only three (3) categories of medications (COX-II's, Bisphosphonates, Depression) are listed as having step therapy in place. This information is necessary in order to model rebate impact.
- A21. Information can be found on the secure website, see above RFP modifications #2. Also, reference Special Provisions, Paragraph 6.2 to get access the secure website.
- Q22. Commercial Program- Prior Authorization- The tab named "Commercial Clinical Programs" in Attachment 1B lists 5 different types of Prior Authorization in place. Please provide detail on all therapeutic categories or specific medications subject to a Prior Authorization so that rebate impact can be modeled.
- A22. Information can be found on the secure website, see above RFP modifications #2. Also, reference Special Provisions, Paragraph 6.2 to get access to the secure website.
- Q23. Please advise if FCPS has adopted the incumbent's standard exclusion-based commercial formulary?
- A23. Commercial population utilizes a formulary that excludes certain FDA approved products.
- Q24. Retail Network- please confirm if any pharmacy chains are excluded from the existing PBM's network.
- A24. There are no major pharmacy chains excluded from the current retail network.
- Q25. Attachment_1A_Comercial-Tech-Vendor_File: Questionnaire Tab, Section II Bidding Requirements General, Requirement #3 (Row 203) – The 180-day notice requirement conflicts with Attachment_2_Commercial-Cost-Vendor_File, Questionnaire Tab, Section I Bidding Requirements General, Requirement #3 (Row 204), which requests a 120-day notice requirement. Can FCPS please clarify whether FCPS is requesting 180 days' notice or 120 days' notice?
- A25. The requirement should be 180 days notification, reference RFP modification's above.
- Q26. What are the current Rx plan benefit document/summary and the current Rx formulary (EGWP/ Commercial)?
- A26. The current formulary is proprietary and can only be reviewed by following the guidance in Special Provisions, paragraph 6.2 of the solicitation. Attachment 1B has the plan design requested.
- Q27. Can we get the BAA in word or PDF?
- A27. This is possible during the final phase of the negotiation process.

Q28. What is the employer contribution levels/strategy?

A28. Pharmacy and medical costs are combined together in a single conventional premium rate by tier. Rates for the Aetna plan and the CareFirst plan are developed on a stand-alone basis. For active employees, Fairfax County Public Schools pays 85% of the cost of single coverage and 75% of the cost for mini-family and family. Retirees receive a monthly employer contribution that varies by retirement system and service. Further details on contributions can be found at:
http://www.fcps.edu/hr/benefits/openenrollment/resources/premiums_medical_dental_active_employees.pdf and
http://www.fcps.edu/hr/benefits/openenrollment/resources/premiums_medical_dental_retirees.pdf

All other terms and conditions remain unchanged.


Patricia S. Wilkerson, CPPO
Supervisor, Contract Administration

THIS ADDENDUM IS ACKNOWLEDGED AND IS CONSIDERED A PART OF THE SUBJECT REQUEST FOR PROPOSAL:

Name of Firm

(Signature)

(Date)

RETURN A SIGNED ORIGINAL AND COPIES AS REQUESTED IN THE SOLICITATION.

Note: SIGNATURE ON THIS ADDENDUM DOES NOT SUBSTITUTE FOR YOUR SIGNATURE ON THE ORIGINAL PROPOSAL DOCUMENT. THE ORIGINAL PROPOSAL DOCUMENT MUST BE SIGNED.